

**CHAPTER NO. 518**

**HOUSE BILL NO. 2573**

**By Representative Hackworth**

**Substituted for: Senate Bill No. 2368**

**By Senator Crutchfield**

AN ACT to amend Tennessee Code Annotated, Section 12-4-201, relative to contractors bonds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 12-4-201, is amended by adding the following language as subsection (b) and redesignating the remaining language accordingly:

(b)

(1) No contract let for any public work in this state, by any city, county or state authority, shall require a contractor or subcontractor to obtain any bond, including but not limited to, payment bonds, performance bonds and bid bonds, from a particular surety, agent, broker or producer.

(2) No public officer, whose duty it is to let or award contracts, shall require a contractor or subcontractor to obtain any bond, including but not limited to, payment bonds, performance bonds and bid bonds, from a particular surety, agent, broker or producer.

(3) This act shall not preclude a city, county, or state authority from requiring that a contractor or subcontractor obtain a bond, including payment bonds, performance bonds and bid bonds, from a properly licensed surety, agent, broker or producer.

SECTION 2. This act shall take effect July 1, 2004, the public welfare requiring it.

PASSED: April 1, 2004



JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES



JOHN S. WILDER  
SPEAKER OF THE SENATE

APPROVED this 12<sup>th</sup> day of April 2004



PHIL BREDESEN, GOVERNOR